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REAGOR-DYKES MOTORS, L.P., et al.

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE NORTHERN DISTRICT OF TEXAS
LUBBOCK DIVISION

IN RE:

REAGOR-DYKES MOTORS, LP, *et al.*¹

Debtor.

§
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Case No. 18-50214-rlj-11
Jointly Administered

DEBTORS' MOTION TO CONTINUE HEARING ON CONFIRMATION OF
DEBTORS' SECOND AMENDED PLAN OF REORGANIZATION,
AS SUPPORTED BY THE AUTO INVESTMENT GROUP

Reagor-Dykes Motors, LP and its debtor affiliates (collectively, “**Reagor-Dykes**” or the “**Debtors**”), as debtors and debtors-in-possession in the above-styled and captioned case hereby files this *Debtors' Motion to Continue Hearing on Confirmation of Debtors' Second Amended Plan of Reorganization, as Supported by The Auto Investment Group* (“**Motion to Continue**”), which is supported by the Auto Investment Group (defined in the Plan). In support of the Motion to Continue, the Debtors respectfully state as follows:

¹ The Debtors are Reagor-Dykes Motor, LP (Case No. 18-50214); Reagor-Dykes Imports, LP (Case No. 18-50215), Reagor-Dykes Amarillo (Case No. 18-50216), Reagor-Dykes Auto Company, LP (Case No. 18-50217), Reagor-Dykes Plainview, LP (Case No. 18-50218), Reagor-Dykes Floydada, LP (Case No. 18-50219), Reagor-Dykes III LLC, Reagor-Dykes Snyder, L.P. (Case No. 18-50321), (Case No. 18-50322), Reagor-Dykes II LLC (Case No. 18-50323), Reagor Auto Mall Ltd (Case No. 18-50324) and Reagor Auto Mall I LLC (Case No. 18-50325).

EXECUTIVE SUMMARY

1. The Debtors filed their *Second Amended Plan of Reorganization* [Docket No. 1391] (the “**Plan**”) on September 3, 2019. Under the Plan, the Debtors propose to implement a “restructuring alternative” with the Auto Investment Group or, if that alternative is not implemented, a liquidating alternative. As part of the Plan’s “restructuring alternative,” the Debtors propose to assume the Ford Motor Company sales and service agreements. The Debtors, the Auto Investment Group, and Ford Motor Company are involved in ongoing discussions about Ford Motor Company’s potential approval of the Auto Investment Group as a Ford dealer and the structure and format of the Auto Investment Group’s relationship with Ford. Because these discussions have not yet concluded, the Debtors would like more time prior to the confirmation hearing to permit conclusion of negotiations with Ford Motor Company. While the Debtors received the necessary votes to confirm the Plan under 11 U.S.C. § 1129, they believe that a short continuance of the confirmation hearing to allow continued negotiations with Ford Motor Company is in the best interests of the creditors and consumers and will help simplify the presentation at the confirmation hearing. The Debtors have also resolved (and are closing to resolving) various issues with interested parties and creditors, and this short continuance will allow the Debtors to reduce these resolutions to writing so that they can be heard by the Court at the continued confirmation hearing. Finally, certain changes in circumstances since the filing of the Plan, including changes involving the go-forward treatment of the General Motors dealership, will require modifications to the Plan. As a result, the Debtors ask this Court to continue the hearing on the Plan to January 7, 2020, or as soon thereafter as reasonably practicable for this Court.

JURISDICTION AND VENUE

2. This Court has jurisdiction over this Motion to Continue pursuant to 28 U.S.C. § 1334 and § 157. This matter is a core proceeding under § 157(b) (2) (A), as it concerns the administrative of the Debtors’ estates.

3. Venue over this case and this Motion to Continue is proper in this Court under 28 U.S.C. §§ 1408 and 1409(a). The predicates for the relief requested are 11 U.S.C. § 105 and Bankruptcy Rule 9006.

BACKGROUND

4. On August 1, 2018 (the “**Original Petition Date**”), the certain Debtors filed voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101, *et. seq.* (the “**Bankruptcy Code**”), thereby initiating the above-captioned, main jointly-administered bankruptcy case (collectively, the “**Chapter 11 Case**”) in the Bankruptcy Court for the Northern District of Texas, Dallas Division (the “**Bankruptcy Court**”). On November 2, 2018 (the “**Subsequent Petition Date**”), certain Debtors filed voluntary petitions under chapter 11 of the Bankruptcy Code.

5. The Debtors continue to operate and to manage their businesses as “debtors-in-possession” pursuant to §§ 1107 and 1108 of the Bankruptcy Code.

6. A hearing on confirmation of the Plan (the “**Confirmation Hearing**”) is currently scheduled for December 11, 2019, at 10:00 a.m.

RELIEF REQUESTED

7. The Debtors, as supported by the Auto Investment Group, ask this Court to continue the Confirmation Hearing to December 20, 2019, or as soon thereafter as reasonably practicable for the Court. The Debtors want (and the Plan’s goal is to provide) a positive outcome for the creditors, consumers, and West Texas communities. A continued hearing date will give the Debtors more time to finalize discussions with Ford Motor Company. The continued hearing date will also help streamline and likely simplify any hearing to approve the Plan. For the foregoing reasons, and because the requested continuance is in the best interests of the creditors and consumers, the Debtors request that

the Confirmation Hearing be continued to January 7, 2020, or as soon thereafter as is reasonably practicable and convenient for the Court.

WHEREFORE, the Debtors respectfully request that the Confirmation Hearing be continued to January 7, 2020, or as soon thereafter as is reasonably practicable and convenient for the Court, and the Debtors be granted such other and further relief as the Court deems just and proper.

DATED: December 5, 2019

Respectfully submitted:

By: /s/ Marcus A. Helt
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**COUNSEL FOR
AUTO INVESTMENT GROUP**

CERTIFICATE OF SERVICE

I hereby certify that, on December 5, 2019, a true and correct copy of the foregoing document was served on all parties consenting to electronic service of this case *via* the Court's *ECF system* for the Northern District of Texas.

/s/ Marcus A. Helt

Marcus A. Helt